Chapter 1

CARES Commission Process

Background

The Department of Veterans Affairs (VA) designed the Capital Asset Realignment for Enhanced Services (CARES) process to provide a data-driven assessment of veterans' health care needs in order to enhance health care services over the next 20 years through the realignment of VA capital assets. The current decision to evaluate how to realign VA's capital assets was initiated in response to concerns raised in the March 1999 testimony of the General Accounting Office (GAO) on underutilized vacant space[1] and Congressional concerns that followed. It evidences VA's recognition of the need for a systematic assessment of future capital needs in relation to current assets. The multi-step process that was developed relies on input from the individual Veterans Integrated Service Networks (VISNs) and local veterans and stakeholders, followed by sequential reviews by the National CARES Program Office (NCPO), the Under Secretary for Health (USH), the CARES Commission, and the Secretary of Veterans Affairs (Secretary). It is the most comprehensive assessment ever undertaken by VA to determine the capital infrastructure needed to provide modern health care to our nation's veterans now and in the future.

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As outlined in the Draft National CARES Plan (DNCP), the CARES process consists of nine distinct steps, six of which have been completed by the issuance of this report.[2] First, the NCPO and the VISNs created "markets" for planning purposes within each VISN. These market areas were based on veteran population,

[1] VA Health Care, Capital Asset Planning and Budgeting Need Improvement, GAO/T-HEHS-99-83 (March 10, 1999).

[2] Capital Asset Realignment for Enhanced Services (CARES), *CARES Guidebook – Phase II,* (Second Edition, June 2002), Chapter 1, page 2.

enrollment, and market share data provided by the NCPO, as well as local knowledge of transportation and other factors unique to the community. Second, the VISNs conducted an analysis of the current health care needs of veterans in the identified markets, and the future health care needs of veterans in these markets were projected using the CARES model. Third, VISNs identified "planning initiatives" to describe the difference between current resources and projected demand. Fourth, the VISNs developed market-specific plans to address the identified initiatives. A planning decision support system was developed that included the forecasted demand and operating, contracting, and capital costs derived from the local facilities and markets to create a national methodology for costing alternative approaches. Veteran and stakeholder input was sought and occurred at the national and field levels. Fifth, the USH reviewed these market plans and developed the DNCP, issued on August 4, 2003. During the sixth step, the CARES Commission, after reviewing the DNCP and other information, is issuing this report to the Secretary with its recommendations and analysis for enhancing health care services through realignment of VA's capital assets.

Step seven is the Secretary's decision whether to accept, reject, or ask for additional information on the Commission's recommendations. In step eight, VISNs will prepare detailed implementation plans and submit them to the Secretary for approval. Finally, in step nine, VISN planning initiatives and solutions will be refined and integrated into the annual VA strategic planning cycle.

Duties

The Secretary of Veterans Affairs chartered the Commission on December 16, 2002.[3] The Secretary charged the Commission, comprised of 16 members, with making specific recommendations regarding the realignment and allocation of capital assets, focusing on "the accessibility and cost effectiveness of care to be provided, while ensuring that the integrity of VA's health care and related missions is maintained, and any adverse impact on VA staff and affected communities is minimized."[4]

The Secretary emphasized the need for the Commission to consider not only the data and analysis in support of the USH's recommendations, but also "views and concerns …from individual veterans, veterans service organizations, Congress, medical school affiliates, VA employees, local government entities, affected community groups, and other interested parties."

[3] Appendix B, *CARES Commission Charter,* Dated 12/16/02.
[4] Appendix B, *CARES Commission Charter,* Dated 12/16/02.

The Secretary emphasized the need for the Commission to consider not only the data and analysis in support of the USH's recommendations, but also "views and concerns expressed in writing during a 60-day period after the USH makes his recommendations, or in public hearings held by the Commission, from individual veterans, veterans service organizations, Congress, medical school affiliates, VA employees, local government entities, affected community groups, and other interested parties."[5] The Commission was charged with bringing an external perspective to the CARES process.[6]

Guiding Principles

Key principles guided the Commission in fulfilling its duties:

- Develop recommendations based on the DNCP proposals, not on an independent review of VA's medical system, consistent with good public policy.
- Evaluate the DNCP proposals, using information garnered through observations and testimony, by applying a standard of reasonableness, taking into consideration six factors: the impact on access to care by veterans, the impact on health care quality, veteran and stakeholder views, the impact on the community, the impact on VA missions and goals, and the cost to government.

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Commission Work

The Commission conducted its work in progressive stages: education, information gathering, and deliberations. The Commission made it a priority to understand and appreciate stakeholder interests by visiting medical facilities, interacting with veterans and staff, inviting comments at public hearings, and reviewing large amounts of informational materials. The Commissioners divided into teams to conduct site visits and hearings. Commissioners conducted site visits and held at least one hearing in each of the 20 VISNs included in the DNCP.[7]

[5] Appendix B, *CARES Commission Charter,* Dated 12/16/02.
[6] Appendix B, *CARES Commission Charter,* Dated 12/16/02.
[7] Draft National CARES Plan (DNCP), Chapter 2: The CARES Planning Process, page 1. Veterans Integrated Service Network (VISN) 12 was not included in the DNCP, or in this report, because the VISN served as a pilot for the analytical methodology subsequently applied nationally.

Meetings

The Commission held monthly public meetings, starting in February 2003, to discuss CARES and to refine the Commission's knowledge of the CARES process and relevant issues. During these meetings, the Commission heard from the Secretary, the Deputy Secretary, the USH, experts on the CARES planning tools, and from the NCPO. The Commission also heard from national veterans service organizations and stakeholders affected by the CARES process, including Members of Congress, the Department of Defense (DoD), medical school and nursing school affiliates, national labor and employee organizations, and nationally recognized health experts.

The Model: Expert Advice

One integral component in the development of the CARES market plans and, ultimately, the DNCP, was the design and application of a model to project the enrollment and utilization for Fiscal Years (FY) 2012 and 2022 of veterans seeking health care services. The Commission did not participate in the development of the model, nor in the application of the model at the VISN level. The Commission, however, reviewed data and analyses based on the model, and engaged experts to examine and explain the technical aspects of the model. The Commission used the experts' report to determine whether the model provided a reasonable means to project demand over a 10- and 20-year range.

Site Visits

The Commission conducted 38 public hearings and 81 site visits to VA and DoD medical facilities and State Veterans Homes from June through October 2003.

The Commission visited 81 VA and DoD medical facilities and State Veterans Homes from June through October 2003. Each site visit team usually consisted of at least two Commissioners and one staff person. The objectives for the site visits were: (1) to gain a firsthand understanding of the physical plants and the management of VA capital assets; (2) to hear informally from local veterans and stakeholders; and (3) to inform VISN leadership, veterans, and stakeholders of the Commission's role.

The visits provided an opportunity for Commissioners to meet informally with veterans, veterans service organization representatives, VA facility management and employees, local labor and employee organization officials, other health care providers, state and local elected officials, DoD representatives, and medical and nursing school and other affiliates. The visits were critical to the Commission's understanding of the local

communities and the operational, environmental, and historical factors, on both a local and national level, that could influence local implementation of the DNCP proposals. Moreover, the visits familiarized Commissioners with the geographic area and with access issues. In addition to VISN staff, approximately 600 local stakeholders shared their concerns during the site visits regarding the CARES process and its potential impact on the communities, VA employees, veterans, and their families.

Formal Hearings

Following release of the DNCP on August 4, 2003, the Commission conducted 38 public hearings. These hearings were the cornerstone of the Commission's fact-finding effort to understand the implications of the DNCP for the VISNs, their markets, and the veterans who receive care from VA. The hearings provided the Commission with an opportunity to hear from approximately 770 invited local speakers, including VISN leadership, veterans, veterans service organizations, state directors of veterans affairs, local labor organizations, medical and nursing school and other allied health professional affiliates, organizations with collaborative relationships, and local elected officials. Seven Governors and 135 Members of Congress participated in or provided statements for Commission hearings.

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Public Comments

In addition to the participants involved at the meetings, site visits, and hearings, the Commission received more than 212,000 comments from individuals and stakeholder groups across the country. In order to promote the broadest participation, the Commission established and widely publicized a variety of methods for stakeholders to present their views. Veterans and stakeholders submitted comments through the Commission website, by e-mail, facsimile, ground service mail, and telephone. The Commission actively encouraged submission of comments by announcing these methods and requesting comments through *Federal Register* notices, at site visits, at each of the meetings that followed issuance of the DNCP, and in the opening and closing statements at hearings. In addition, at all hearings, the Commission provided for VISN staff to transcribe public comments and paper forms for those who chose to submit handwritten comments.

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Deliberations

From October to December 2003, the Commission conducted formal deliberations on the DNCP. Drawing on their diverse backgrounds and expertise, and the knowledge gained from site visits, hearings, and comments, the Commission discussed the individual DNCP proposals, identified crosscutting and other issues, and established a consensus on recommendations. During January, the Commission engaged in the final drafting and refining of the report.